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November 11, 2004

VIA ELECTRONIC FILING (ECFS)

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Re: Ex Parte, WC Docket No. 04-313, CC Docket Nos. 04-313, 01-338, 98-

184, & 98-141

Dear Ms. Dortch:

Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, this will provide notice that on November 10, 2004, the undersigned, on behalf of Globalcom, Inc., met with Scott Bergmann, Office of Commissioner Adelstein, concerning issues in the above-referenced proceedings. We presented the views set forth in the attached document which were provided at the meeting.

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Joshua M. Bobeck

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Impairment Standard for Loops and Transport

- BOCs' proposed MSA impairment standard would violate USTA I and USTA II
 - The BOC "competition anywhere equals no impairment everywhere" violates *USTA I*'s granularity requirement
 - BOC high-capacity loop and transport proposals do not adequately assess impairment
 - * BOC's test errs because fiber-based collocators do not necessarily offer DS1 and DS3 loops and transport on a wholesale basis or self-provision facilities at the DS1 or DS3 levels to certain locations or on the transport routes between certain wire centers
 - BOC strategy is to ignore marketplace distinctions between capacity levels
 - More prone to false negatives (erroneous non-impairment findings)
- A capacity, location, and route specific loop and transport impairment analysis is consistent with *USTA I* and *USTA II*
 - Far more granular than the BOC test
 - Capacity based test addresses the potential for deployment of facilities
 - operational and economic barriers that are likely to make entry into a market uneconomic by a reasonably efficient competitor.
 - ALTS three-tiered wire center density test for DS3 and dark fiber transport is another approach that is more accurate than the BOC proposals

DS-1 Loops and Transport

- The Commission may rely on the updated record (state proceedings) to establish a nationwide finding of impairment
- Record evidence generally demonstrates that competitive providers do not self-provision DS1 loops and transport and that these facilities are not available on a wholesale basis from alternative providers

DS1 EELs

- Impairment for DS1 EELs (DS1 loop and DS1 transport combinations) should be based on whether CLECs are impaired without access to the DS1 loop component of the EEL
 - DS1 EELs are solely used to extend a customer's loop
 - The combined facilities are dedicated and provide dial tone to a single customer
 - DS1 transport used in a DS1 EEL does not aggregate transport from other customers
- The Commission should retain the EEL eligibility criteria established in the TRO that USTA II upheld

DS-3 Loops and Transport

- Establish a nationwide finding of impairment for up to 2 DS3 for loops to a location or up to 12 DS3s on a transport route between wire centers
- Beyond these threshold amounts self-provisioning is feasible
- Below these threshold amounts record evidence reveals that self provisioning is not justified and that these facilities are not available on a wholesale basis from alternative providers.

Entrance Facilities

- Entrance facilities are network elements subject to an impairment analysis.
 - Entrance facilities are loops. The same impairment standard that applies to loops should apply to entrance facilities.
- Interconnection, and interconnection trunks, must be provided at TELRIC

Transition Period

- The lengthy transition for line sharing refutes BOC insistence on shorter transition periods
- New orders are permissible

Mass Market

- Mass market should be limited to residential and home office market.
- SBA 2004 survey found that the smallest businesses on average purchase 1.5-2 business lines and do not purchase DS1 services.
- CLECs should have unbundled access to enterprise customer regardless of the network technology that the RBOC employs (TDM or packet-based network)

Special Access Is Irrelevant to Impairment

- By itself, the possibility of a price squeeze precludes reliance on special access as a substitute for UNEs.
- Current pricing unreasonable and discounts (volume and term) still far above cost-based pricing. Small CLECs do not qualify for volume discounts.
- BOCs' unlawful policies have thwarted use of UNEs.

Verizon and SBC Merger Conditions

• Verizon and SBC are obligated under their merger conditions to offer UNEs even if they challenge the Commission's forthcoming *TRO* Remand decision.